

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 2039 – HB 2061

March 18, 2014

SUMMARY OF ORIGINAL BILL: Limits the amount of continuous assistance a family may receive in the Temporary Assistance for Needy Families (TANF) program to 18 months, unless the family is granted an exemption to the limitation.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$134,900/One-Time
\$55,400/FY15-16 and Subsequent Years

SUMMARY OF AMENDMENT (014607): Deletes all language after the enacting clause. Effective July 1, 2015, reduces, from 60 months to 48 months, the total amount of assistance a recipient may receive in the Temporary Assistance for Needy Families (TANF) program, unless the recipient is granted an exemption to the limitation or meets certain criteria.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- According to the Department of Human Services, there will be necessary programming and systems changes to the ACCENT program to make a recipient non-eligible at 48 months.
- The department is currently planning to make ACCENT program and systems changes. These changes will be completed in time to meet the July 1, 2015 effective date of the proposed legislation. The department can incorporate the necessary changes that are a result of the proposed legislation into the planned systems changes without a significant increase in expenditures.
- The provisions of the bill will result in a reduction in total TANF assistance granted to applicants after 48 months on the program. Any TANF funds not utilized due to the reduction of assistance will be re-invested in the TANF program to provide other services to meet the state's required maintenance of effort funding. The state could realize savings in the out years if the number of eligible approved applicants decreases also. Due to a number of unknown factors, any savings and the timeframe in which any

savings might be realized cannot be quantified. The more immediate net impact in TANF fund expenditures is not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/kml